



# **Dominion Energy-SCANA Merger Updates**

#### Overview

The Public Service Commission (PSC) is reviewing multiple plans regarding the Dominion Energy-SCANA merger. **Not all proposed plans include a cash refund**. Continue to refer customers to the **Dominion Merger** link on SCEG.com home page for additional information.

It is important to **ONLY** communicate information from **approved** sources such as Corporate Communications, Customer Service Training, etc. If customers ask for details, appropriate answers may include "That is yet to be determined" or "We don't have any additional information yet". **DO NOT offer personal opinions, discuss media coverage, or provide unapproved information to customers.** 

## Plans Under Review by PSC

Dominion Energy presented three proposals to the PSC to consider. These plans evolved based on feedback from the PSC, ORS, and other parties during the merger hearings. The plans are only proposals and have **NOT** been approved.

- Plan A originally proposed by Dominion includes:
  - Reduction in customer bills by approximately 7%.
  - Refund check (about \$1000 for the average residential customer)
- Plan B Alternative includes:
  - Reduction in customer bills by approximately 14%, instead of cash refunds.
- Plan B Levelized (Plan B-L) includes:
  - Reduction in customer bills by approximately 15%, instead of cash refunds.

The Commission is expected to provide a decision regarding the proposed merger on Friday, December 14, 2018. The decision will address major topics of interest including:

- Is the Dominion Energy-SCANA merger approved?
- Which plan was selected?
- When do these changes take effect?

Additional details will be communicated in the PSC's Final Order, which will be issued on/by December 21, 2018.





# **Dominion Energy-SCANA Merger Updates**

## Class Action Law Settlement

A judge has ruled in favor of the Class Action settlement related to V.C. Summer nuclear costs; however, it is contingent on the approval of the merger by the Commission. Upon its complete approval, a court appointed administrator will be named to handle the settlement, and action will be taken as needed to inform customers of the settlement and participation requirements.

## Post-Merger Communications

Additional talking points, FAQs, updated billing and website information, and more will be communicated as finalized merger details become available in the weeks ahead. It is critical to review the merger communications from Corporate, Training and other internal resources as soon as possible to better assist customers during the merger transition.



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# TRAINING BULLETIN



# **Dominion Energy-SCANA Merger Update: South Carolina PSC Ruling**

#### Overview

On December 14, 2018, the Public Service Commission of South Carolina ruled on SCE&G and Dominion Energy's merger application. The Commission will issue its final order by December 21, 2018, which will explain the full details of its decision. While the Commission's ruling reflects approval of the merger and an associated rate relief plan, the closing of the merger is contingent upon the Commission's final order and the satisfaction or waiver of various closing conditions. When issued, Dominion Energy and SCANA will review the Commission's order and determine whether the closing of the merger may proceed.

It is important to ONLY communicate information from approved sources such as Corporate Communications, Customer Service Training, etc. If customers ask for details, appropriate answers may include "That is yet to be determined" or "We don't have any additional information yet". **DO NOT offer personal opinions, discuss media coverage, or provide unapproved information to customers.** 

## What We Know Now

- Dominion Energy-SCANA merger has been approved by the Commission, subject to the issuance of its final order.
- By December 21, 2018, the Commission will issue its final order at which time SCANA and Dominion Energy will review the order to determine whether they can proceed with the closing of the merger.

## If the merger closes:

- Plan B Levelized (Plan B-L), as adopted by the PSC, will be implemented.
  - Reduction in SCE&G's electric bills by approximately 15% compared to January 2018, instead of cash refunds.
- Effective date for new electric rates will be communicated with the final order.
  - The H. 4375 Decrement Rider will expire and no longer display on bills once the new rate becomes effective.
- As an additional benefit of the merger, all active SCE&G and PSNC Energy natural gas accounts will receive a bill credit in February 2019, January 2020, and January 2021.
  - More details will be communicated with the final order.

# Why No Refund?

**Suggested Explanation:** Based on feedback received during the hearings, Plan B-L was provided by SCE&G and Dominion Energy to provide further rate reductions than previously offered. In order to provide further rate reductions, a refund could no longer be offered. With Plan B-L, customers benefit from a larger rate reduction over a longer period of time.



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# TRAINING BULLETIN



# **Dominion Energy-SCANA Merger Update: South Carolina PSC Ruling**

Merger Communications At this time, there are no changes in how customers do business with us or to our credit and service request processes. Additional talking points, FAQs, updated billing and website information, and more will be communicated as finalized merger details become available in the weeks ahead. Refer customers to the Dominion Merger link on SCEG.com home page for additional information.





# **Dominion Energy-SCANA Merger Completed**

#### Overview

On January 1, 2019, the merger was completed between SCANA and Dominion Energy.

Dominion Energy will begin implementing a program to educate SCE&G customers about the benefits and implementation of the merger plan approved by the Commission through an outreach and education campaign. A strong focus of the program will be on lower bills for SCE&G electric customers, continued excellence in customer service, and a secure energy future for all customers.

Note: Customers who have an email address on their accounts will receive an email announcing the merger on or around Wednesday, January 2, 2019. It will include FAQs and a video from Dominion Energy CEO, Tom Farrell.

## Plan B Levelized (Plan B-L) Approved

- The South Carolina Public Service Commission approved Plan B Levelized (Plan B-L), which consists of a reduction in SCE&G's electric bills by approximately 15% in 2019 compared to January 2018, instead of cash payments.
- For the typical electric residential customer, the monthly bill will drop to approximately \$125 in early 2019, compared to approximately \$147 in early 2018.
  - Note: The new bill reduction will replace the temporary rate reduction (H. 4375 Decrement Rider) ordered by the Public Service Commission in summer 2018.
- Commercial and industrial electric customers will experience a roughly similar percentage bill reduction.
- A customer may see a higher or lower percentage or dollar savings depending on the customer's rate schedule and usage.

### **Plan Benefits**

- Plan B Levelized will take SCE&G's rates to levels near or below regional averages, and well below the national average.
- Overall, Plan B-Levelized means approximately \$4.5 billion to customer bill relief.
- Dominion Energy fully supports the plan approved by the Commission. The approved plan provides refunds such that typical SCE&G residential electric customers will continue to receive savings on their electric bills.
- The contributions to bill relief will continue for the next twenty years.



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# TRAINING BULLETIN



# **Dominion Energy-SCANA Merger Completed**

Plan Eligibility	All active electric customers are eligible for the 15% bill reductions in 2019 compared to January 2018.
New Rates- Effective Date	Plan B Levelized bill reductions will be reflected for bills generated on and after the billing cycle of February 2019.
Benefits for Natural Gas Customers	<ul> <li>As an additional benefit of the merger, all active SCE&amp;G and PSNC Energy natural gas customers will receive a bill credit in February 2019, January 2020, and January 2021.</li> <li>Dominion Energy will provide bill credits of \$3.75 million to PSNC Energy's customers and bill credits of \$2.45 million to SCE&amp;G natural gas customers over three years.</li> <li>Note: The bill credit calculations are still being finalized for both companies.</li> </ul>
Additional Information	<ul> <li>Refer customers to the SCE&amp;G or PSNC Energy website for more company specific FAQs and additional merger information.</li> <li>Review the Dominion Energy/SCANA Merger Frequently Asked Questions training bulletin dated 01/02/2019 for more information.</li> <li>Continue to use the current escalation process.</li> <li>Continue to follow the current core and after-hours processes.</li> </ul>

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## DOMINION ENERGY AND SCANA MERGER

FACT SHEET



Dominion Energy has merged with SCANA. We are pleased to become one of South Carolina's largest energy providers, bringing stability and lower bills, along with enhanced community contributions. Dominion Energy is already a corporate citizen in South Carolina as the owner of Dominion Energy Carolina Gas Transmission (located in 32 counties) and the owner of the largest solar project in the state.

Learn more about Dominion Energy and what this deal means for customers at DominionEnergy.com/BecomingDominionEnergy.

#### **SCE&G CUSTOMER BENEFITS**



Electric bills have been reduced by approximately 15 percent in 2019 compared to January 2018.



The decrease in electric rates will result in customer bills that are lower than the short-term rates implemented by the South Carolina General Assembly.



Electric customer rates have gone from among the highest in the region to levels near or below regional averages, and below the national average.



Overall, the approved plan commits approximately \$4.5 billion to customer bill relief.



Natural gas customers will receive \$2.45 million in total bill credits over three years, to be distributed annually.

## **SCE&G EMPLOYEE BENEFITS**



SCE&G headquarters will remain in Cayce and the president of SCE&G will be a **South Carolina** resident.



Dominion Energy will offer employee compensation protection for non-executive SCANA employees until at least July 1, 2020.



Dominion Energy will make every effort to achieve any job reductions through voluntary severance programs and will give employees of SCANA and its subsidiaries fair consideration for other opportunities within the larger Dominion Energy organization, both inside and outside South Carolina.

#### WHAT TO EXPECT IN 2019

Bill Relief: SCE&G electric customers will continue to experience savings on their electric bills.

Tax Benefits: The benefit of the federal tax reform will be passed on to electric customers. This will include a one-time credit that electric customers will receive in 2019.

One-time Settlement: Apart from customer benefits plan approved by the Public Service Commission of South Carolina, SCE&G customers should anticipate receiving an additional \$115 million, plus the value of certain real estate assets, as part of the rate payer litigation settlement once approved by the court.

## **COMMUNITY BENEFITS**



Dominion Energy has committed to increasing SCANA's philanthropic and community contributions by \$1 million per year for at least five years following the close of the merger.

COMPARISON
OF ESTIMATED
TYPICAL
RESIDENTIAL
ELECTRIC
BILLS\*

\$147 Jan. 2018 \$

**\$125**Feb. 2019

Pre-Merger

Post-Merger

#### WHAT ABOUT CASH PAYMENTS?

Dominion Energy's initial proposal included up-front refunds of approximately \$1,000 for the typical residential customer and a more modest bill reduction of approximately 7 percent. However, there was significant support for long-term bill relief of 15 percent and the cash payments were eliminated. Importantly, the new plan provides equal value to customers over time.

<sup>\*</sup> Indicates monthly bill amounts

## DOMINION ENERGY AND SCANA MERGER

FACT SHEET



#### A NEW DAY

Nearly 7.5 million customers and operations in 18 states rely on Dominion Energy to deliver clean natural gas and affordable electricity to their homes and businesses. And now we're proud to bring that same dependability to new communities in North Carolina, South Carolina and Georgia.

21,000 EMPLOYEES
IN THE 18 STATES WHERE

DOMINION ENERGY OPERATES

#### **OUR FOOTPRINT**

Dominion Energy began as a canal navigation company in Virginia. We found our niche as an electric power company in 1909, and – through mergers, expansion and growth – now own and operate energy infrastructure in some of the fastest-growing regions in the nation.

# **●**

#### **Power Generation**

This operating segment consists of a power generation fleet fueled by nuclear, coal, natural gas, oil, biomass, fuel cells, water, wind and the sun. It provides electricity to utility customers and wholesale power markets, and under long-term contracts with other utilities and municipalities.



#### **Power Delivery**

This operating segment consists of 93,600 miles of electric transmission and distribution lines, and serves about 3.3 million electric utility customer accounts in North Carolina, South Carolina and Virginia.



#### **Gas Infrastructure**

This operating segment has assets in the Appalachian Basin, the mid-Atlantic, the Southeast and the western Rockies. It has gathering, processing, fractionation, storage, transmission, distribution and liquefied natural gas facilities.



- Electric Distribution
   Electric Transmission Lines (Bulk Delivery)
- Gas Transmission Pipelines
- -- Proposed Atlantic Coast Pipeline
- ▲ Blue Racer Facilities
- ▲ Cove Point LNG Facility
- ▲ Hastings Facility
- Utica Shale Boundary
- Marcellus Shale Boundary
- Natural Gas Underground Storage Pools

Regulated Gas Distribution

New

- Biomass
- Coal
- Hvdro
- Natural Gas
- Planned Natural Gas Facility
- Nuclear
- Oil/Gas
- Solar
- Proposed Solar Facility
- Wind
- Proposed Offshore Wind
- Electric and Gas Service/Base Privatization







# Dominion Energy-SCANA Merger: Frequently Asked Questions

<b>Does Dominion still plan</b>
to provide customer
cash payments (\$1,000
for the average SCE&G
residential electric
customer)?

- Dominion Energy will provide customers significantly reduced bills instead of the \$1,000 cash back check proposal. This decision was made based on support for lower bills throughout the year rather than the upfront cash back originally proposed.
- Overall, bills for electric customers have been significantly reduced (by approximately 15% in 2019 compared to January 2018) which will provide ongoing savings over the long term.

# What about customers who moved away after paying toward the nuclear plants?

- The 15% bill reduction is for active SCE&G electric customers.
- Apart from customer benefits plan approved by the Public Service Commission of South Carolina, former SCE&G customers may receive proceeds from the class action lawsuit settlement. If the settlement is approved by the court, current and former SCE&G electric customers will receive additional information from the court appointed administrator.

## What will happen to the H. 4375 Decrement Rider?

- The temporary rate decrease of approximately 15% ordered by the Public Service Commission in summer of 2018 will expire once the new bill reduction takes effect in the billing cycle of February 2019.
- New rates will also display on rate sheets filed with the Public Service Commission.

## Can customers choose to get the cash payment instead of the bill reduction?

- Customers will not be able to choose to get the cash payment instead of the bill reduction.
- The plan which was favored and chosen will result in customers benefiting from lower bills on an ongoing basis.

## Will SCE&G and PSNC Energy natural gas customers receive a cash payment or benefit from the merger?

- As an additional benefit of the merger, all active SCE&G and PSNC Energy natural gas customers will receive a bill credit in February 2019, January 2020, and January 2021.
- Dominion Energy will provide bill credits of \$3.75 million to PSNC
   Energy's customers and bill credits of \$2.45 million to SCE&G natural gas customers spread out over three years.
  - Note: The bill credit calculations are still being finalized for both companies.





# **Dominion Energy-SCANA Merger: Frequently Asked Questions**

Questions	
Is the company name changing?	<ul> <li>Yes, a company name change will be occurring over time for both SCE&amp;G and PSNC Energy, and you will see a transition to Dominion Energy.</li> <li>Our name will change, but customers will continue to receive the same great customer service they are accustomed to.</li> <li>Over time, customers may notice changes to our vehicles, uniforms and signage as we become Dominion Energy.</li> <li>This transition should be seamless to our customers.</li> </ul>
Is the website changing?	<ul> <li>Customers will continue to use the SCE&amp;G and PSNC Energy websites</li> <li>For several more months, customers can continue to pay their bills, get service, etc. at the same web addresses: <a href="www.sceg.com">www.sceg.com</a> and <a href="www.sceg.com">www.sceg.com<!--</td--></a></li></ul>
Will customers still be able to make a payment arrangement?	<ul> <li>Yes. Continue to offer available payment arrangements to customers who are eligible for an arrangement.</li> </ul>
Is Budget Billing changing?	<ul> <li>No. Customers will see no change at this time on their bills, and Budget Billing cycles will be unaffected by the merger.</li> </ul>
Will customers still have the same options for making a payment?	<ul> <li>Customers can still pay their bills at current SCE&amp;G local business offices and authorized payment agencies for SCE&amp;G and PSNC.</li> <li>Online bill payment options continue to be available.</li> <li>Customer will see no changes to Automatic Payment options.</li> </ul>



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# TRAINING BULLETIN



# Dominion Energy-SCANA Merger: Frequently Asked Questions

Are any SCE&G business offices re-opening?	•	There are no plans to reopen any closed SCE&G business offices.
Will assistance still be available to low-income customers?	•	Dominion Energy has no plans to discontinue SCE&G's existing customer assistance programs.  Programs such as Project Share, Low-Income Home Energy Assistance (LIHEAP), and SCE&G's White Cross program continue to be available to provide bill assistance to qualifying military veterans, senior citizens, medically vulnerable and people with disabilities in need of help paying their electric and gas bill.  Dominion Energy has also committed to increasing charitable contributions for both SCE&G and PSNC Energy.
Will the merger affect Lake Murray?	•	Nothing is changing in the management of Lake Murray.  Dominion Energy has no plans to sell land around the lake, and like all utilities, has a responsibility to manage all of its assets prudently and in the best interest of its customers.

Additional company specific FAQ's are available at sceg.com and

DominionEnergy.com/BecomingDominionEnergy.

psncenergy.com, as well as

Where can a customer

go for additional

information?





# SCE&G Ratepayer Bill Insert: Class Action Settlement

#### Overview

A bill insert regarding the class action settlement will be sent to all active SCE&G electric customers beginning with January Cycle 1 bills on 01/08/2019. If an active or final billed SCE&G electric customer was charged costs for the construction of two nuclear plants in Jenkinsville, they may be eligible for a payment from a class action settlement.

The insert provides information about the settlement, and it advises customers of their rights with respect to the proposed settlement. These rights include:

- The right to receive an automatic payment (or, for current SCE&G customers, a bill credit)
- The right to exclude themselves from the settlement
- The right to object to the settlement

## Information to Provide to Customers

If the customer has any questions about the insert, the settlement, or would like more information, advise the customer to contact the Claims Administrator by:

- Phone 877-432-3808,
- e-mail at info@scegratepayersettlement.com, or
- via www.scegratepayersettlement.com

The customer may also consult with their own attorney.

Note: The customer should not call the Judge, Clerk, or Court about this Notice or the settlement. They will not be able to give any advice or answer questions.



# **Merger Update: Credits for Natural Gas Accounts**

#### Overview

As an additional benefit of the merger, Dominion Energy is providing \$3.75 million in bill credits to PSNC Energy's customers and \$2.45 million in bill credits to SCE&G's natural gas customers over three years. Active residential and commercial natural gas accounts will receive this annual credit in 2019, 2020, and 2021.

Note: Gas merger credits will apply to combo and gas only accounts.

### To receive the Gas Merger credit:

- SCE&G & PSNC: The account and at least one gas meter must be active at the time the credit is applied.
- PSNC: Gas accounts must have 2017 usage.

Note: The annual gas merger credits are based on 2017 revenues, and credits are factored differently for each company.

#### **Effective Dates**

SCE&G and PSNC Energy Gas merger credits will be applied as follows:

- February 2019 Bill Cycle 1
- January 2020 Bill Cycle 1
- January 2021 Bill Cycle 1

## SCE&G Gas Merger Credit

- SCE&G annual gas merger credit amounts are based on rates.
  - Each gas rate will have a specific credit amount.
- Transaction History will display with gas merger credit details and comments.
- The gas merger credit will display as shown below for SCE&G:

RATE PLAN 32V - Res Va					read on 02/	26/19 at 02:5: date 3/27/19)	2 pm	
METER NO.	BILLING PERIOD	DAYS	CURRENT	PREVIOUS	CONSTANT	USAGE (CCF)	BTU FACTOR	THERMS
001111111	01/26/19 - 02/26/19	31	2569	2493	11	76	1.0280 =	78
Basic Fac	ilities Charge							10.90
Base - Fir	st 21 Therms X 1.07	994						22.68
	nerms X (1.07994 ÷ WNA Is A Result Of				her			62.19
	Fee 5.00% Paid To							4.79
						otal Gas	Ct	\$100.56

- Note: The gas merger credit is subtracted from the total usage charge.
- Only SCE&G natural gas customers who receive the credit will see the bill message below:

In its order approving SCANA Corporation's merger with Dominion Energy, Inc., the Public Service Commission of South Carolina ordered SCE&G to provide an annual credit to natural gas customers in 2019, 2020, and 2021. The annual credit for 2019 has been applied to this month's bill. The annual credits for 2020 and 2021 will be applied to customer bills for the January billing cycle in each of those years.





# **Merger Update: Credits for Natural Gas Accounts**

PSNC Energy Gas Merger Credit

- PSNC Energy annual gas merger credits are based on 2017 usage.
- Transaction History will display with gas merger credit calculation details and comments.
- Gas merger credits will display on the bill as a line item for PSNC accounts.

CURRENT CHARGES Gas Charges RATE PLAN 101 - Gas- Rasidential				r read on 02/	22/19 at 11:05	i am	
METER NO. BILLING PERIOD 000111111 01/20/19-02/21/19	DAYS 32	CURRENT 443	PREVIOUS 378	CONSTANT 1	USAGE (CCF)	5TU FACTOR 1.0290 =	THERMS
Basic Facilities Charge							10.00
67 Therms X \$ 1.00362							67.24
Merger Bill Credit Per NCUC	Order, I	Docket No.	G-5, Sub !	585			-3.95
State Sales Tax at 7.00 %							5.13
					Total Gas	Charges	\$78.42





# Tax Cuts and Jobs Act (TCJA) Credit

#### Overview

In December 2017, the **Tax Cuts and Jobs Act (TCJA)** was signed into law. As part of this law, the corporate income tax rate was reduced from 35% to 21%. Regulated investorowned utilities are required to pass along savings from these tax cuts to ratepayers. This tax benefit will display as a separate line item on the bill for active SCE&G residential, commercial, and industrial electric customers.

A onetime TCJA credit will also be provided to active, final billed, and write-off electric accounts billed between January 2018 and January 2019.

Note: TCJA credits were included in gas rates for SCE&G and PSNC Energy gas customers in 2018, therefore, natural gas customers will not see a onetime TCJA credit as a separate line item.

#### **Effective Date**

#### February Bill Cycle 1

## All Active Electric Customers

- For February bills only: Active <u>electric</u> customers who received a bill anytime between January 2018 and January 2019 will receive a onetime Tax Cuts and Jobs Act credit.
- Active electric customers will see an <u>ongoing</u> TCJA credit reflected as a **Tax Rider** beginning with February's bill.
- Transaction History will display the onetime TCJA calculation details and comments.

## February Bill Example

- Act credit for 2018/January 2019 displays in Current Electric Charges.
- Tax Rider displays as a line item for ongoing TCJA credit.

Electric C RATE PLAN 008 - Rasidenti	_		Electric '	READING Weler read on \$226 Resided read claim		
METER NO.	BILLING PERIOD	DAYS	CURRENT	PREVIOUS	CONSTANT	KWE
0011111111	1/26/19-2/26/19	31	2535 -	1416 X	11 =	1,119
Basic Facilit	ies Charge					9.00
First 8000 kg	MX\$0.11871					94.97
Next 319 kW	mX\$0.11399		Chanding	e TCJA credit		36.36
	Energy Resources	and the latest l	Chies upon	EL ROSEN CHESSER	THE REAL PROPERTY.	1.00
	d Jobs Act		Chambing	TCJA credit		-126.07
Tax Rider	WHEN PERSON NAMED IN COLUMN TWO IS NOT THE OWNER.	CONTRACTOR OF THE PARTY OF	Confectored Confectored	II A' WASH O'LL STIME IT		-4.34

• Franchise Fee amounts will be lower and could result in a credit due to the TCJA credit impact on electric usage.

Active customers with 2018/January 2019 usage February Bill Message:

Your bill for this month reflects a one-time bill credit for savings under the Tax Cuts and Jobs Act from January 2019 to January 2019. On-going tax savings are reflected in your bill.





# Tax Cuts and Jobs Act (TCJA) Credit

Bill Example with <u>Ongoing</u> TCJA Tax Rider Only Beginning with March bills, the TCJA **Tax Rider** will display as a line item on electric bills going forward.

Electric C RATE PLAN 308 - Residenti			MET	ERF	EADING		
METER NO.	BILLING PERIOD	DAYS	CURRENT		PREVIOUS	CONSTANT	KWH
001111111	2/26/19-3/27/19	28	3735	~	2535 X	1 =	1,200
Basic Facilit	ies Charge						9.00
First 800 kW	h X S 0.11871						94.97
Next 400 kW	th X \$ 0.11399						45.60
Renewable I	Energy Resources						1.00
Tax Rider							-4.62
L proposition I i	se 5.00% Paid To Th	a Cily Oi	Charlesian				7.30

## Final Billed and Write-off Electric Accounts

- Final billed and write-off accounts who received a bill anytime between January 2018 and January 2019 will have a onetime TCJA credit applied by the end of March 2019.
  - If the final billed residential customer has ONE active residential account, the credit will apply to their active account
  - If the final billed account has more than one active account, a check will be mailed to the final bill address listed.
    - The credit must be more than \$1.00 to generate an automatic check.
- Transaction History will display with TCJA calculation details and comments.
- The credit department will review write-off accounts and determine if credits should be transferred to another account instead of issuing a check.

## Request for a Refund Check

If the credit creates a CIA, a refund may be issued at the customer's request for the CIA amount only. The normal refund process applies for any refund requests.

(Reminder: Refunds are issued 14 business days from the date of the last non-cash payment).

Note: Remittance Processing does not handle refunds. Refer to "Payment Options/Refunds" in Guidance for additional information.

#### **Budget Billing**

Customers will see no change in their budget billing amount. TCJA credits will be reflected in the Account Balance.





# **Bill Changes and Website Updates**

#### Overview

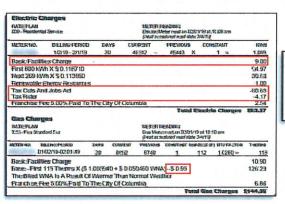
Rate reductions related to the Dominion Energy merger are reflected in customer bills beginning with the first billing cycle of February 2019. Customers may inquire about the lower bill, rate changes, and other items on the February bill. Review the summary of the bill changes below and refer customers to the website for additional information.

#### **Bill Changes**

Basic Facilities Charge is part of the rate and has been reduced accordingly.

#### **Examples:**

- Residential Rate 8 BFC reduced from \$10.00 to \$9.00
- ➤ General Service Rate 9 BFC reduced from \$22.75 to \$19.50
- Cost per kWh has been reduced.
- Onetime **Tax Cuts and Jobs Act (TCJA)** displays as a line item. Credit is for usage between January 2018-January 2019 with a bill message explaining the credit.
- On-going Tax Rider displays as a line item (beginning with February 2019 bills).
- H. 4375 Decrement Rider has been removed effective with February bill cycle.
- Natural gas customers will see a bill message regarding the annual bill credit in February 2019, January 2020 and January 2021. In this example, the customer (rate 32S) received a natural gas credit of .95 cents.



Your bill for this month reflects a one-time bill creaft for savings under the Tax Cuts and Jobs Act from January 2018 to January 2019. On-going tax savings are reflected in your bill.

In its order approving SICANA Corporation's merger with Deminion Energy, Inc., the Public Service Commencer of Seath Compline acetered SICERC to provide an annual bit credit to nature gost estimates in 2019, 2020, and 2021. The annual credit to 2019 has been applied to this month's bit. The annual credit bit of the second credit of the second

NOTE: Compare Bills snapshot utilizes the new reduced rates in bill comparisons. Electric Rates will reflect a bill decrease due to a decrease in the average cost per kWh.







# **Bill Changes and Website Updates**

## Website Updates

Customers with an online account may visit the SCE&G website for details on bill credits and adjustments. A link to the bill changes is available on the customer's account summary page.



 Rate sheets have been updated with the new rates effective for bills generated on or after the first Billing Cycle of February 2019. To view rate information, see sceg.com/rates.

#### Reminders

- On January 1, 2019, the merger was completed between SCANA and Dominion Energy.
- The Public Service Commission of South Carolina approved Plan B Levelized (Plan B-L), which consists of a reduction in SCE&G's electric bills by approximately 15% in 2019 compared to January 2018, instead of cash payments.
- Rates will remain effective until the next base rate case is approved. At this time, we don't anticipate a base rate review before 2021.
- The new bill reduction replaces the temporary rate reduction (H. 4375 Decrement Rider) ordered by the Public Service Commission in Summer 2018.
- With the approved rates, customers will receive the benefits of a lower cost per kWh and a reduction in the basic facilities charge.
  - NOTE: Refer to the Training Bulletins, "Merger Update: Credits for Natural Gas Accounts" and "Tax Cuts and Jobs Act (TCJA) Credit" and the Guidance topic "Dominion Energy Merger FAQs" for more information.



# **Dominion Energy-SCANA Merger: Frequently Asked Questions**

- Does Dominion still plan to provide customer cash payments (\$1,000 for the average SCE&G residential electric customer)?
  - Dominion Energy will provide customers significantly reduced bills instead of the \$1,000 cash back check proposal. This decision was made based on support for lower bills throughout the year rather than the upfront cash back originally proposed.
  - Overall, bills for electric customers have been significantly reduced (by approximately 15% in 2019 compared to January 2018) which will provide ongoing savings over the long term.
- 2. What about customers who moved away after paying toward the nuclear plants?
  - The 15% bill reduction is for active SCE&G electric customers.
  - Apart from customer benefits plan approved by the Public Service Commission of South Carolina, former SCE&G customers may receive proceeds from the class action lawsuit settlement. If the settlement is approved by the court, current and former SCE&G electric customers will receive additional information from the court appointed administrator.
- 3. What will happen to the H. 4375 Decrement Rider?
  - The temporary rate decrease of approximately 15% ordered by the Public Service Commission in summer of 2018 will expire once the new bill reduction takes effect in the billing cycle of February 2019.
  - New rates will also display on rate sheets filed with the Public Service Commission.
- 4. Can customers choose to get the cash payment instead of the bill reduction?
  - Customers will not be able to choose to get the cash payment instead of the bill reduction.
  - The plan which was favored and chosen will result in customers benefiting from lower bills on an ongoing basis.
- 5. Will SCE&G and PSNC Energy natural gas customers receive a cash payment or benefit from the merger?
  - As an additional benefit of the merger, all active SCE&G and PSNC Energy natural gas customers will receive a bill credit in February 2019, January 2020, and January 2021.
  - Dominion Energy will provide bill credits of \$3.75 million to PSNC Energy's customers and bill credits of \$2.45 million to SCE&G natural gas customers spread out over three years.
    - NOTE: See Training Bulletin dated 1/30/19 "Merger Update: Credits for Natural Gas Accounts" for more information.



# **Dominion Energy-SCANA Merger: Frequently Asked Questions**

#### 6. Is the company name changing?

- Yes, a company name change will be occurring over time for both SCE&G and PSNC Energy, and you will see a transition to Dominion Energy.
- Our name will change, but customers will continue to receive the same great customer service they are accustomed to.
- Over time, customers may notice changes to our vehicles, uniforms and signage as we become Dominion Energy.
- This transition should be seamless to our customers.

## 7. Is the website changing?

- Customers will continue to use the SCE&G and PSNC Energy websites
- For several more months, customers can continue to pay their bills, get service, etc. at the same web addresses: www.sceg.com and www.psncenergy.com.
- Over time, customers may notice changes to each website and web address.
- Refer customers to the Dominion Merger link on SCEG.com or PSNC Energy home page for additional information.

#### 8. Will customers still be able to make a payment arrangement?

 Yes. Continue to offer available payment arrangements to customers who are eligible for an arrangement.

#### 9. Is Budget Billing changing?

 No. Customers will see no change at this time on their bills, and Budget Billing cycles will be unaffected by the merger.

#### 10. Will customers still have the same options for making a payment?

- Customers can still pay their bills at current SCE&G local business offices and authorized payment agencies for SCE&G and PSNC.
- Online bill payment options continue to be available.
- Customer will see no changes to Automatic Payment options.

### 11. Are any SCE&G business offices re-opening?

There are no plans to reopen any closed SCE&G business offices.



# **Dominion Energy-SCANA Merger: Frequently Asked Questions**

#### 12. Will assistance still be available to low-income customers?

- Dominion Energy has no plans to discontinue SCE&G's existing customer assistance programs.
- Programs such as Project Share, Low-Income Home Energy Assistance (LIHEAP), and SCE&G's White Cross program continue to be available to provide bill assistance to qualifying military veterans, senior citizens, medically vulnerable and people with disabilities in need of help paying their electric and gas bill.
- Dominion Energy has also committed to increasing charitable contributions for both SCE&G and PSNC Energy.

### 13. Will the merger affect Lake Murray?

- Nothing is changing in the management of Lake Murray.
- Dominion Energy has no plans to sell land around the lake, and like all utilities, has a responsibility to manage all of its assets prudently and in the best interest of its customers.

#### 14. Where can a customer go for additional information?

 Additional company specific FAQ's are available at sceg.com and psncenergy.com, as well as DominionEnergy.com/BecomingDominionEnergy.

# FAQs added after 01/02/2019

#### 15. How long will new rates be effective?

Rates will remain effective until the next base rate case is approved. At this time, we don't
anticipate a base rate review before 2021.

#### 16. What if a customer is interested in more information about the Class Action Settlement?

- If the customer has any questions about the bill insert, the settlement, or would like more information, advise the customer to contact the Claims Administrator by:
  - o Phone 877-432-3808,
  - o e-mail at info@scegratepayersettlement.com, or
  - via <u>www.scegratepayersettlement.com</u>

The customer may also consult with their own attorney.

Note: The customer should not call the Judge, Clerk, or Court about this Notice or the settlement. They will not be able to give any advice or answer questions.